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RUEHAS/AMEMBASSY ALGIERS PRIORITY 9200  
RUEHAM/AMEMBASSY AMMAN PRIORITY 2547  
RUEHAK/AMEMBASSY ANKARA PRIORITY 3286  
RUEHLB/AMEMBASSY BEIRUT PRIORITY 2518  
RUEHEG/AMEMBASSY CAIRO PRIORITY 0476  
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RUEHRH/AMEMBASSY RIYADH PRIORITY 9518  
RUEHTU/AMEMBASSY TUNIS PRIORITY 3682  
RUCNDT/USMISSION USUN NEW YORK PRIORITY 5622  
RUEHJM/AMCONSUL JERUSALEM PRIORITY 7448  
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RHMFISS/COMSOCEUR VAIHINGEN GE PRIORITY  
RHMFIUU/COMSIXTHFLT PRIORITY

UNCLAS TEL AVIV 002210

SIPDIS

STATE FOR NEA, NEA/IPA, NEA/PPD

WHITE HOUSE FOR PRESS OFFICE, SIT ROOM  
NSC FOR NEA STAFF

SECDEF WASHDC FOR USDP/ASD-PA/ASD-ISA  
HQ USAF FOR XXXX  
DA WASHDC FOR SASA  
JOINT STAFF WASHDC FOR PA  
CDR USCENTCOM MACDILL AFB FL FOR POLAD/USIA ADVISOR  
COMSOCEUR VAIHINGEN GE FOR PAO/POLAD  
COMSIXTHFLT FOR 019

JERUSALEM ALSO ICD  
LONDON ALSO FOR HKANONA AND POL  
PARIS ALSO FOR POL  
ROME FOR MFO

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E.O. 12958: N/A  
TAGS: [OPRC](#) [KMDR](#) [IS](#)

SUBJECT: ISRAEL MEDIA REACTION

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SUBJECTS COVERED IN THIS REPORT:  
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Mideast

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Key stories in the media:  
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Electronic media reported that on Wednesday the US Ambassador to the UN, Zalmay Khalilzad, accused Syria and Iran of meddling in Lebanon. He was quoted as saying that there is clear evidence of arms

smuggling across the Syrian border to terrorist groups.

Israel Radio quoted the international Arabic-language daily Al-Quds Al-Arabi as saying that Israel will transfer security control of Qalqilya and Jericho to the PA. The radio later cited confirmation of the report by PA sources.

All media reported that in reaction to a report critical of the government's actions on the home front during the Second Lebanon War published on Wednesday by State Comptroller Micha Lindenstrauss, PM Ehud Olmert's Office said that "there is a yawning and unbridgeable gap between the professional and in-depth report that was written by people in the State Comptroller's Office, and the tendentious and superficial summary that appears in the report's abstract. "It apparently reflects the personal opinion of the State Comptroller toward a number of people, foremost the Prime Minister." Ha'aretz and other media reported that Eliahu Winograd, Chairman of the Winograd Commission, announced on Wednesday that the commission will warn those liable to be harmed by its conclusions and allow them to respond before publishing its final report on the Second Lebanon War. As a result, the report's publication is likely to be delayed by several months. Until now, publication had been widely expected in October. Any delay will have far-reaching political implications. The report is expected to harshly criticize PM Olmert, while Defense Minister Ehud Barak has pledged to pull the Labor Party out of the government after its publication. Thus for both of them, the delay means another several months in office.

The Jerusalem Post reported that "in-depth" GOI evaluations of Syrian President Bashar Assad's speech to the Syrian Parliament on Tuesday, concluded that Assad is looking to ease war fears. Yated Ne'eman quoted the Foreign Ministry as saying that Syria is interested in exploiting Israel to improve its status.

Yediot disclosed that Israeli citizens suspected of grave offenses are secretly imprisoned in the country.

Maariv reported that next week, for the first time in the Knesset's history, the Egyptian and Jordanian FMs will appear before the Knesset's Foreign Affairs and Defense Committee.

The Jerusalem Post quoted sources to FM Livni as saying on Wednesday that she has not changed her opinion that Olmert must resign due to his mishandling of the Second Lebanon War.

Ha'aretz reported that on Wednesday Science, Sport, and Culture Minister Raleb Majadele asked PM Olmert to send him to Damascus as a goodwill emissary. Majadele also reportedly asked Olmert to declare his government's willingness to "make significant and painful territorial concessions, as the late Yitzhak Rabin proposed, for the sake of a diplomatic arrangement that would lead to relations with Syria and to peace and stability in the entire region."

Maariv reported that ten Orthodox soldiers from a paratrooper battalion refused to help with the removal of right-wing protesters at the site of the vacated West Bank settlement of Homesh. They refused to obey orders after consulting with radical Rabbi Dov Lior but eventually complied.

Yediot and The Jerusalem Post reported that on Wednesday PA Chairman [President] Mahmoud Abbas announced that he was working toward elections for the PA's Palestinian Legislative Council and presidency.

Yediot reported that Syrian President Bashar Assad will host Iranian President Mahmoud Ahmadinejad on Friday. Yediot reported that Ahmadinejad is expected to offer to train Syrian troops in Iran and send Iranian experts to Syria, similar to those who operated in Hizbullah's training camps in Lebanon.

Major media reported that on Wednesday the Knesset overwhelmingly approved in preliminary reading a bill allowing the Israel Lands Authority to continue selling land belonging to the Jewish National Fund (JNF) only to Jews, in order to counter a decision made earlier this year by Attorney general Menachem Mazuz to prohibit discrimination in land sales.

The Jerusalem Post reported that, in a conversation with the newspaper, defeated Labor Party leadership candidate Ami Ayalon set three conditions for joining the cabinet: because of security developments; if he was needed because of diplomatic developments; or if Labor remained in the government after the final Winograd report was released.

Yediot and Maariv reported that Oved Yehezkel, a senior aide to PM Olmert, is expected to replace Yisrael Maimon as cabinet secretary. The cabinet will vote on the appointment on Sunday.

Leading media reported that non-Jewish couples will be able to tie the knot in civil marriages, following an agreement reached on Wednesday between Justice Minister Daniel Friedmann and Sephardi Chief Rabbi Shlomo Amar. This is the first time that the religious establishment has given the go-ahead to civil marriage. However, the new law will be restricted to cases in which both spouses are not considered Jewish under Jewish law.

The Jerusalem Post reported that Palestinian high-school students from Ramallah, Bethlehem, and east Jerusalem are working on technology projects alongside their Israeli counterparts from Beit Shemesh, Mevaseret Zion, and west Jerusalem in the MEET (Middle East Education Through Technology) program being taught at the Hebrew University's Givat Ram campus.

The Jerusalem Post reported that on Tuesday Sapir Academic College near Sderot received USD 1.7 million from the [US] United Jewish Communities.

The Jerusalem Post reported that despite a public outcry earlier this year that appeared to stave off a cancellation of the English News of the Israel Broadcasting Authority (IBA) on the radio, the cash-strapped IBA is now proceeding with draconian cuts anyway.

Yediot reported that businessman Lior Dagan, a dual Israeli-American citizen, was found dead a month ago in his Dubai hotel, the apparent victim of a heart attack. The newspaper reported that the FBI and local security authorities later determined that he was murdered.

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Mideast:  
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Summary:  
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Liberal op-ed writer Yael Paz-Melamed commented in the popular, pluralist Maariv: "New diplomatic initiatives, some of them bold and surprising ... are opening a small window of hope that the dull man [Olmert] will one day turn into a leader."

Very liberal columnist Meron Benvenisti, deputy mayor of Jerusalem from 1971 to 1978, wrote in the independent, left-leaning Ha'aretz: "The current diplomatic process is liable to repeat the destructive route of Oslo, creating an illusion of progress fueled by a natural need to nurture hope, a hope that will be exploited by cynics who believe they have the power to dictate the rules of the game and decide who will lose it."

Veteran journalist Evelyn Gordon wrote in the conservative, independent Jerusalem Post: "New Palestinian Authority Prime Minister Salam Fayyad's agenda bears a strong resemblance to US President George Bush's surge in Iraq: good ideas, but many years too late."

Block Quotes:  
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## I. "Perhaps Olmert Is a Leader, After All"

Liberal op-ed writer Yael Paz-Melamed commented in the popular, pluralist Maariv (7/19): "New diplomatic initiatives, some of them bold and surprising ... are opening a small window of hope that the dull man will one day turn into a leader -- not a big one, not a man who should be followed, but someone who will somehow leave his imprint on the history of this country. He suddenly has an agenda -- not a simple one, not really a popular one, and he moves with

worthy speed to move it forward without looking sideways. Only Kadima. [An allusion to the slogan: 'only Likud']. For instance, consider the decision to release 250 Palestinian prisoners, including several 'with blood on their hands, to bolster Abu-Mazen.... Consider the decision to pardon wanted Palestinians willing to lay down arms.... Let's go on with Israel's shift towards Syria.... Everything has definitely started [in this direction].... One must assume that there are indications that something is happening: talk about a mini-convergence plan; Bush's rather insignificant speech that still envisages a regional conference; Tony Blair's arrival next week and the onset of his work; and Fatah activists on the level of Farouk Kaddoumi being allowed to enter the West Bank.... One should not forget that [Olmert] has not yet begun to handle the evacuation of illegal outposts, thus leaving a hot potato and the proof of his leadership in his hands."

II. "Beware of Oslo's Destructive Route"

Very liberal columnist Meron Benvenisti, deputy mayor of Jerusalem from 1971 to 1978, wrote in the independent, left-leaning Ha'aretz (7/19): "The diplomatic process being conducted by Olmert and Bush serves as a peg on which to hang [current] optimism. The problem is that the reality does not show signs of surrendering to theories and desires.... The illusion of the Palestinians, who saw how under Oslo the settlements were doubled and a draconian occupation regime was installed, evaporated in a violent manner, shattering the Israeli illusion that the conflict could be ended without paying the price. The current diplomatic process is liable to repeat the destructive route of Oslo, creating an illusion of progress fueled by a natural need to nurture hope, a hope that will be exploited by cynics who believe they have the power to dictate the rules of the game and decide who will lose it. Those who are amusing themselves with the process, those who are exploiting it to promote their political aims, those who are becoming addicted to it to fulfill their heart's desire, and those who want to use it to improve their grievous condition under the occupation should all recall that it is easy to create illusions, and it is easy to err because of them. But the price will be paid by everyone, including those who are moving the process forward through mere words. The Israeli-Palestinian conflict cannot tolerate another shattered illusion."

III. "Salam Fayyad's Surge"

Veteran journalist Evelyn Gordon wrote in the conservative, independent Jerusalem Post (7/19): "New Palestinian Authority Prime Minister Salam Fayyad's agenda bears a strong resemblance to US President George Bush's surge in Iraq: good ideas, but many years too late.... Unlike the surge, Fayyad's plan may never ultimately be implemented. Indeed, given the PA's record, any rational person would bet against it.... Since Fayyad, like Abbas, has already declared that he will never use force against the militias, the chances of the armed gangs disappearing look slim.... The same goes for economic development.... Arafat preferred to invest in terrorism and his own bank account. Thus following the PA's establishment Palestinians' per-capita income plummeted and unemployment soared. And Abbas, again, wasted a second chance, post-disengagement. A rapid push to develop Gaza would have won massive international and Israeli support. But he made no move to, for instance, build housing for refugees in the former settlements.... Overall, PA development efforts will now receive far less Israeli support than they would have earlier. Maybe Fayyad will nevertheless work a miracle. But even if he makes a sincere effort -- which is far from certain -- it may well, like the surge, prove too late."

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